

0001 S0190063  
TASK 2887  
cc: Tom

February 12, 2008

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Permit NO. S0190063  
Operator Name: Red Cliff Mining Inc.  
Mine – H&B Mine  
Content Description

- 1- Application to revise a notice of intention to commence small mining operations.
- 2- Notice of intention to commence small mining operations – Revised pages 1-7
- 3- Drawing 1 Location exhibit
- 4- Drawing 2 Project Section Location Map
- 5- Completed Application for transfer of notice of intention
- 6- Small Mine Reclamation Contract

Red Cliff Mining Inc.  
P.O. Box 576  
Emery, Utah 84522

John L. Byars  
Ph. 435-630-6349  
E-mail [jlbyarstrc@yahoo.com](mailto:jlbyarstrc@yahoo.com)

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FEB 17 2009

DIV. OF OIL, GAS & MINING

0001

## Application to Revise a Notice of Intention to Commence Small Mining Operations or Exploration

<b>Operator:</b> <u>Red Cliff Mining</u>			
<b>Mine Name:</b> <u>H &amp; B Mine</u>		<b>File Number:</b> E or M/ <u>1</u>	
Provide a detailed listing of all changes to the Notice that will be required as a result of this change. Individually list all maps and drawings that are to be added, replaced, or removed from the Notice. Include page, section and drawing numbers as part of the description.			
<b>DETAILED SCHEDULE OF CHANGES TO THE NOTICE</b>			
			Description of map, text, or materials to be changed
ADD	<u>REPLACE</u>	REMOVE	Notice of Intent to Commence 1 thru 7
ADD	<u>REPLACE</u>	REMOVE	Crescent Junction Map ML 51344
ADD	<u>REPLACE</u>	REMOVE	project Location Map/Drawing #2
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

<u>JOHN L. BYARS</u> Print Name	<u>John L. Byars</u> PRESIDENT Sign Name, Position  <u>02-12-09</u> Date
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**Return to:**

State of Utah  
Division of Oil, Gas and Mining  
Attn: Minerals Regulatory Program  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Phone: (801) 538-5291 Fax: (801) 359-3940

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<b>FOR DOGM USE ONLY:</b>	
File #: M/ <u>1</u>	
Approved: _____	
Bond Adjustment: from (\$) _____	
to \$ _____	

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Page 2 of 2  
FEB 17 2009

DIV. OF OIL, GAS & MINING

Assigned DOGM File No.: S 0190063

DOGM Lead: \_\_\_\_\_

Permit Fee \$ \_\_\_\_\_ Ck # \_\_\_\_\_

**STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING**

1594 West North Temple Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940

**NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS**

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

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**I. GENERAL INFORMATION** (Rule R647-3-104)

1. Name of Mine: H&B Mine

2. Legal name of entity (or individual) for whom the permit is being requested: \_\_\_\_\_

Red Cliff Mining  
Mailing Address: PO Box 576  
City, State, Zip: Emery, UT 84522  
Phone: (435) 286-2460 Fax: (435) 286-2471  
E-mail Address: jlbjars@trc.yahoo.com

Type of Business: Corporation ☒ LLC ( ) Sole Proprietorship (dba) ( )

Partnership ( ) General \_\_\_\_\_ or \_\_\_\_\_ limited

Or:

Individual ( )

**Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) [www.commerce.utah.gov](http://www.commerce.utah.gov).**

Are you currently registered to do business in the State of Utah? ■ Yes ■ No

Entity # 020853578

If no, contact [www.commerce.utah.gov](http://www.commerce.utah.gov) to renew or apply.

Local Business License # 29024 (if required)

Issued by: County Grand or City \_\_\_\_\_

**3. Contact Person(s)**

Name: John L Byars Title: officer

Address: PO Box 576

City, State, Zip: Emery, UT 84522

Phone: (435) 286-2460 Fax: (435) 286-2471

Emergency, Weekend, or Holiday Phone: (435) 630-6349

E-mail Address: jlbjars@yahoo.com

Contact person to be notified for: permitting ( ) surety ( ) Notices ( ) (please check all that apply)

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DIV. OF OIL, GAS & MINING

Name: Vickie Byars Title: officer  
Address: PO Box 576  
City, State, Zip: Emery, UT 84522  
Phone: (435) 286-2460 Fax: (435) 286-2471  
Emergency, Weekend, or Holiday Phone: (435) 630-6346  
E-mail Address: VICKIE BYARS @ yahoo.com

Contact person to be notified for: permitting ( ) surety ( ) Notices ( ) (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: Vickie Byars  
Address: PO Box 576  
City, State, Zip: Emery, UT 84522  
Phone: (435) 286-2460 Fax: (435) 286-2471  
E-mail Address: VICKIE BYARS @ yahoo.com

4. If Business is a Sole Proprietor:

Name of Owner: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

If Business is a Corporation:

Name of Officers: John L Byars Title: officer/President  
Vickie Byars Title: officer/Registered Agent  
James A Byars Title: officer

Headquarters Address: PO Box 576, Emery, UT 84522  
City, State, Zip: \_\_\_\_\_  
Headquarters Phone: (435) 286-2460 Fax: (435) 286-2471  
E-mail Address: JL BYARS+PC @ yahoo.com

If Business is a Limited Liability Company: Member Managed ■ Manager Managed ■

Name of 1<sup>st</sup> Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Name of 2<sup>nd</sup> Member/Manager: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

If Business is a Partnership:

Name of Partner: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

5. **Ownership of Land Surface:**

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐

State Trust Land/School Sections ☒ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

6. **Ownership of Minerals:**

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐

State Trust Land/School Sections ☒ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): \_\_\_\_\_

BLM Claim Numbers \_\_\_\_\_

Utah State Lease Number(s): ML-51344

Name of Lessee(s): Red Cliff Mining, Inc.

7. **Have the above surface and mineral owners been notified in writing?**

Yes ☒ No ☐

If no, why not? \_\_\_\_\_

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes ☒ No ☐

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location** (legal description):

County(ies): grand

\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_

UTM East \_\_\_\_\_ (if known) UTM North \_\_\_\_\_ (if known)

Name of Quad Map for Location: Crescent Junction

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

- The area to be disturbed;
- The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
- Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐

2. **Mineral(s) to be mined:** humic shale

3. **Amount of material** to be extracted, moved, or proposed to be moved: 9  
thousand tons per year

4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process?

Yes ☐ No ☒ If yes, please describe (add extra pages if needed) \_\_\_\_\_

5. Provide a brief **description of the proposed mining operation** and onsite processing facilities (add extra pages if necessary).

There are no onsite process facilities at this time. Strip and stock pile top soil, excavated minerals, redistribute top soil, and reseed. (see attached drawing 1 & 2)

6. ■ **New Road(s):** Length \_\_\_\_\_ (ft) Width \_\_\_\_\_ (ft)
7. ■ **Improved Road(s):** Provide a description of the improvements that need to be made to existing roads to access the site, including the Length \_\_\_\_\_ (ft) and Width \_\_\_\_\_ (ft) of improvements.
8. Total project surface acreage to be disturbed: 2 (acres) PLEASE SPECIFY  
EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).
9. Proposed **startup date** (month, year) 3/12/09
10. Proposed **completion date**, if known (month, year) NOT KNOWN

**IV. OPERATION AND RECLAMATION PRACTICES** (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at [www.ogm.utah.gov](http://www.ogm.utah.gov).

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.*

**V. VARIANCE REQUEST (Rule R647-3-110)**

**Any variance request must be approved in writing by the Division**

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

**Are variances being requested? Yes ☐ No ☒**

**1<sup>st</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**2<sup>nd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**3<sup>rd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

Attach additional page if more variances are requested.

**VI. SURETY (Utah Code Ann. §40-8-7(1)[c])**

**A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.** All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

I have provided or will provide surety in the form of:

- ☐ Certificate of Deposit ☒ Letter of Credit ☐ Surety Bond ☐ Cash (certified funds)  
☐ Other \_\_\_\_\_ (please identify) \_\_\_\_\_ undecided



**VII. PERMIT FEE** (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

***Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.***

**VIII. SIGNATURE REQUIREMENT**

(Please check the box if applicable and place your initials on the line provided)

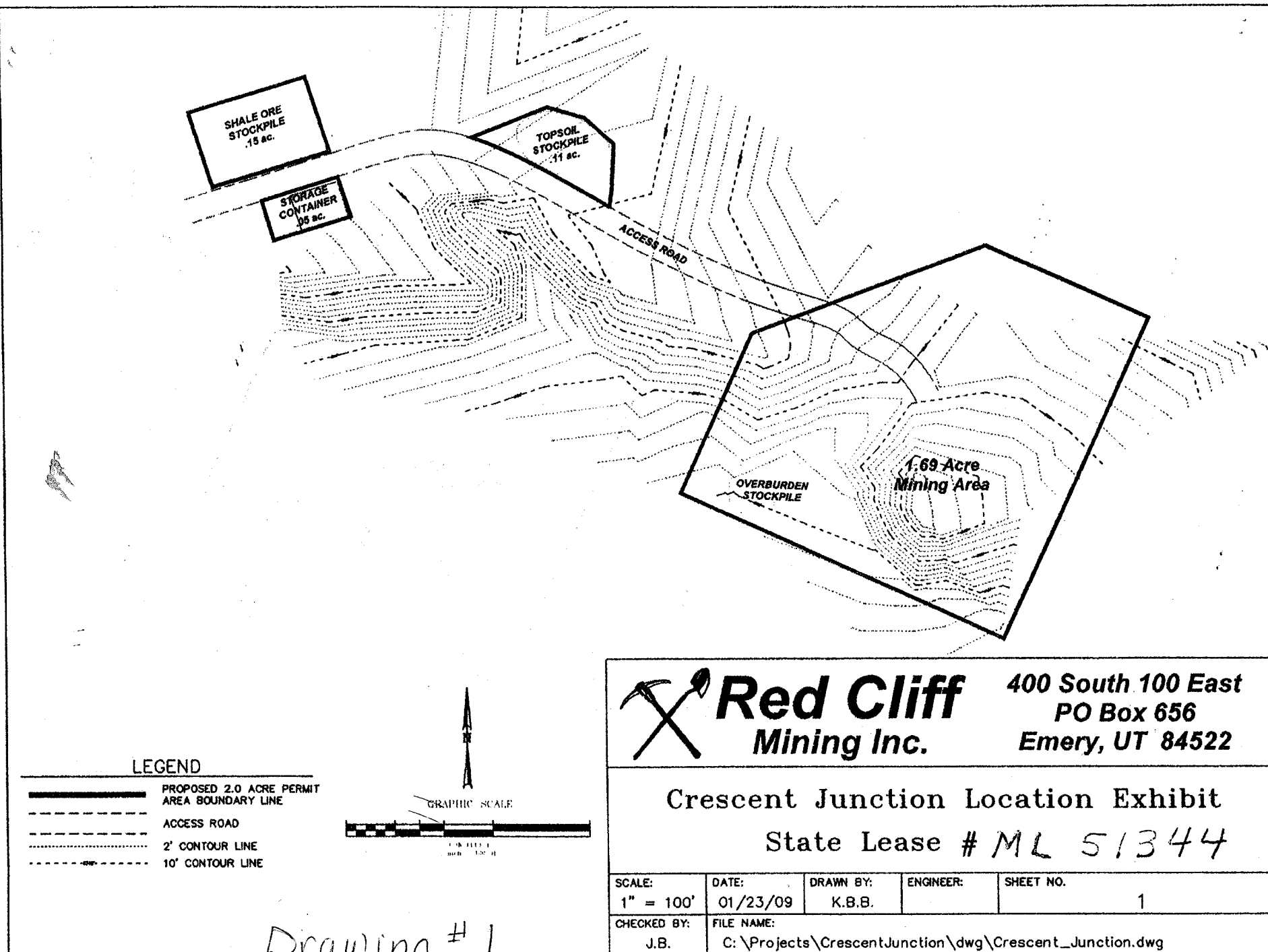
- N/A ☒ I have enclosed the required permit fee.
- ☐ I have enclosed/requested a Reclamation Contract (Form MR-RC) and the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished.
- ☐ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

**CERTIFICATION**

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature: John L Byars Date: 2/12/09  
Name (typed or printed): John L Byars  
Title/Position (if applicable): President



**Red Cliff**  
Mining Inc.

400 South 100 East  
PO Box 656  
Emery, UT 84522

Crescent Junction Location Exhibit  
State Lease # **ML 51344**

SCALE: 1" = 100'	DATE: 01/23/09	DRAWN BY: K.B.B.	ENGINEER:	SHEET NO. 1
CHECKED BY: J.B.	FILE NAME: C:\Projects\CrescentJunction\dwg\Crescent_Junction.dwg			

SHALE ORE  
STOCKPILE  
.15 ac.

STORAGE  
CONTAINER  
.05 ac.

TOPSOIL  
STOCKPILE  
.11 ac.

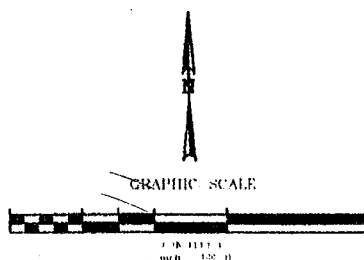
ACCESS ROAD

OVERBURDEN  
STOCKPILE

1.69 Acre  
Mining Area

# LEGEND

- PROPOSED 2.0 ACRE PERMIT  
AREA BOUNDARY LINE
- ACCESS ROAD
- 2' CONTOUR LINE
- 10' CONTOUR LINE



**Red Cliff**  
Mining Inc.

400 South 100 East  
PO Box 656  
Emery, UT 84522

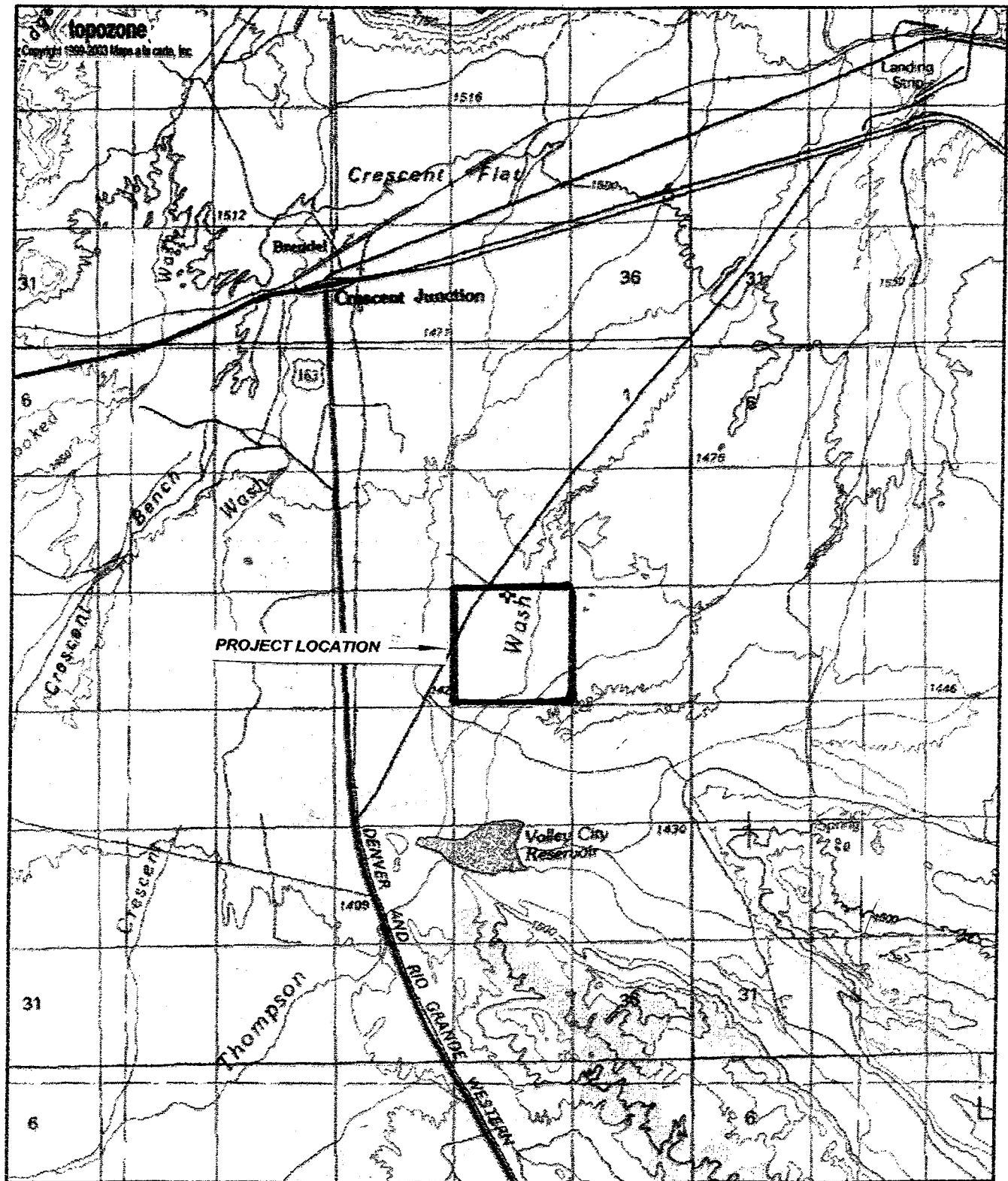
Crescent Junction Location Exhibit

State Lease # ML 51344

SCALE: 1" = 100'	DATE: 01/23/09	DRAWN BY: K.B.B.	ENGINEER:	SHEET NO. 1
CHECKED BY: J.B.	FILE NAME: C:\Projects\CrescentJunction\dwg\Crescent_Junction.dwg			

Drawing # 1

SECTION 14 TOWNSHIP 22 SOUTH RANGE 19 EAST SLB&M



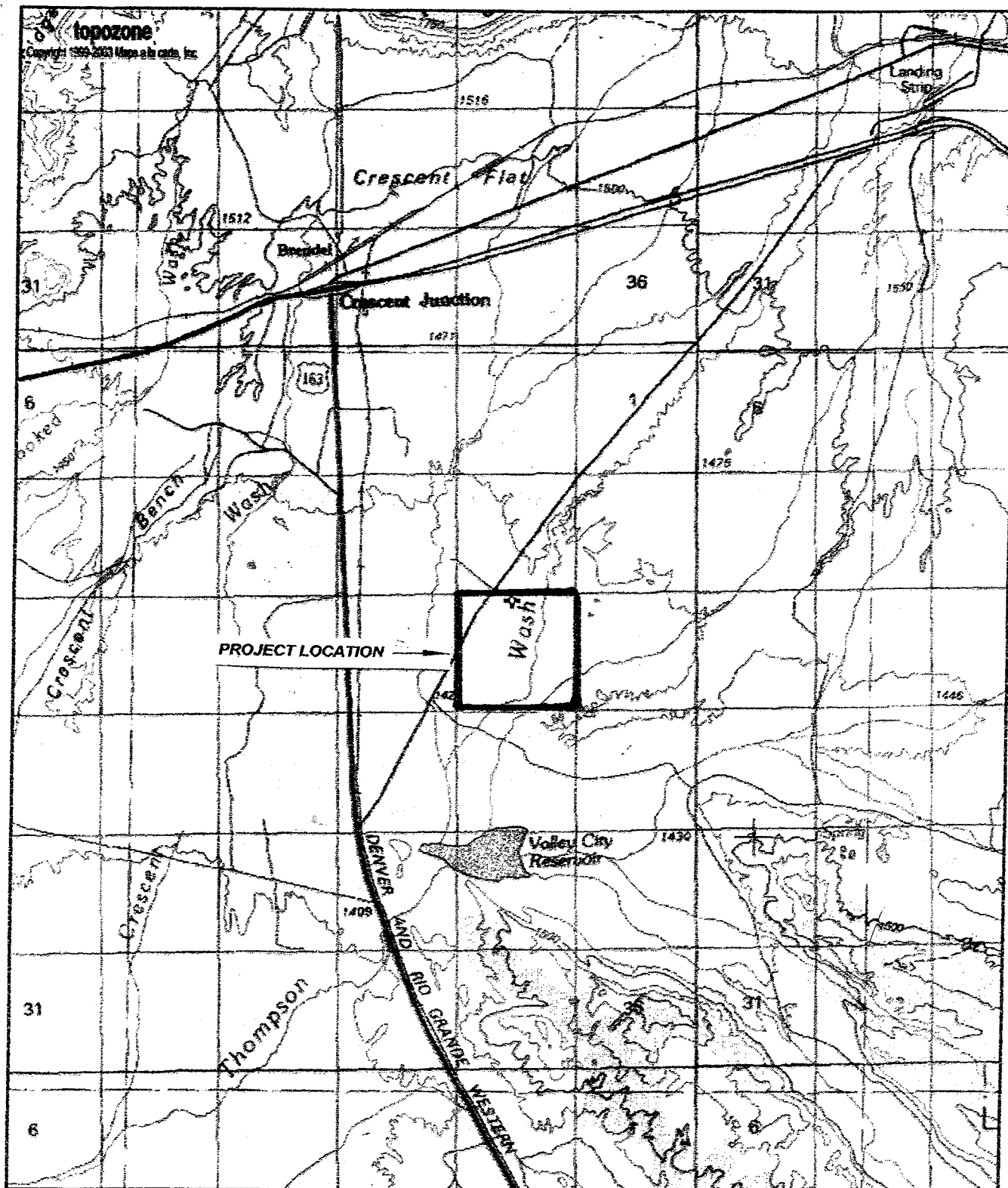
Drawing #2

0 1 2 3 4 5 km  
0 0.8 1.6 2.4 3.2 4 mi

UTM 12 605134E 4306648N (NAD27)  
USGS Crescent Junction (UT) Quadrangle  
Projection is UTM Zone 12 NAD83 Datum

\* M  
M=12.127  
G=0.761

SECTION 14 TOWNSHIP 22 SOUTH RANGE 19 EAST SLB&M



0 1 2 3 4 5 km  
0 0.8 1.6 2.4 3.2 4 mi

UTM 12 605134E 4306648N (NAD27)  
USGS Crescent Junction (UT) Quadrangle  
Projection is UTM Zone 12 NAD83 Datum

\* M  
G  
M=12.127  
G=0.761

Drawing #2